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Methods of Industrial Peace. By NICHOLAS PAINE GILMAN.

Boston: Houghton, Mifflin & Co., 1904. 8vo, pp. x + 436.

THE author of this study in *Methods of Industrial Peace* reaffirms his faith in profit-sharing and bonus-paying wage systems as efficacious means of avoiding industrial warfare, and undertakes in this volume "the more specific problem of the prevention of strikes and lockouts under the usual wages contract."

The treatment necessarily includes an account of the tendencies in modern industry toward association and combination—tendencies which have instituted the capitalistic trust and employers' associations on the one hand, and, on the other, trade unions. Under these conditions of industrial organization, which must be accepted as normal and permanent, some form of collective bargaining, as distinct from individual bargaining with reference to conditions of employment, becomes essential. In certain industries where public interests are involved this collective bargaining over the terms of the labor compact may be made more or less subject to legal regulation. The New Zealand system of adjusting labor disputes, commonly but, Professor Gilman observes, inaccurately denoted a system of compulsory arbitration, is, in fact, legal regulation of collective bargaining, arbitration, conciliation, and mediation. These terms, so frequently misapplied, are here given scientific definition. With reference to government interference where the rights of the public are involved, the author concludes that "the adjustment of labor difficulties should be left primarily in the hands of the employer and the trade-union. But if they will not settle them speedily and peaceably, then the public must and will find a more effectual way."

Chapters are devoted to the working of sliding scales, as peaceful means of wage-adjustment, the incorporation of industrial unions, trade-union aims and methods, trade and state boards of conciliation and arbitration, and legal regulation of labor disputes in monopolistic and in other industries.

The sliding-scale method is commended as "a considerable approach, at least, to a 'fair wage' system;" but this is on the assumption of certain modern improvements upon the sliding scale, such as the fixing of a minimum wage, below which wages shall not follow declining prices and the subjection of the scale to frequent revision by the process of higgling wages up or down independently of prices, and in a general indeterminate, unmathematical way.

Recent discussions in England *in re* Sliding Scales *vs.* Boards of Conciliation and Arbitration—or, as it has been well put by one writer, concerning the “substitution of the human mechanism of a conciliation board for the comparative automatism of a sliding scale”—are summarized.

On the question of incorporation of unions, which is considered at some length, Professor Gilman is outspoken, holding that “unions in fact commit a grievous error in their opposition to incorporation as legal persons capable of suing if injured, and of being sued if injuring others, or breaking contracts with them—a right probably as ancient as the Twelve Tables.” It is understood, however, that such incorporation shall be under special legislation, as in New Zealand, not under existing laws providing for incorporation. The question must be regarded as still an open one upon which there is a wide divergence of opinion among recent writers.

Trade-unionism, which is one fundamental means of industrial peace, is characterized as the “chief tool of the modern worker with which he would gratify his ambitions”—a condition of fair adjustment of wages. Certain fallacies involved in trade-union policies, such as that of making work for fellow associates, are indicated. It is a fact not sufficiently dwelt upon by writers that some of the chief methods of unionism are nicely contrived to defeat its most essential purposes. Unions demand higher wages, and adopt policies which must inevitably force wages down. One paradox of unionism is that it should seek to increase industrial remuneration by decreasing economic efficiency. While the fact is not susceptible of absolute statistical proof, it is probably an understatement to say that general wages in many occupations might be 20 per cent. higher than they are today, but for this organized and unorganized inhibition of productive processes. In many great industries the eight-hour day has become an economic possibility on present wage scales, but the eight-hour movement is effectually blocked by canny unionism. Increased economic efficiency, under a régime of industrial peace, is the surest, and in the long run the only, means of raising the wage-earners’ standard of living; and the methods of securing this industrial peace are well worth the painstaking and exhaustive study given them in this volume.

J. C.